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ITC CORPORATION LIMITED

(Incorporated in Bermuda with limited liability)

ANNOUNCEMENT

This announcement is made in relation to the recent increase in price of the ordinary shares of the Company.

This announcement is made at the request of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

We have noted that the recent increase in price of the ordinary shares of ITC Corporation Limited (the "Company") and wish to state that the Company published its interim results for the six months ended 30th September, 2003 on the Stock Exchange's website at 2:37 p.m., this afternoon. The board of Paul Y. - ITC Construction Holdings Limited ("Paul Y. - ITC"), a subsidiary of the Company, has also resolved to pay an interim dividend of 1 cent per share and a special dividend of 29 cents per share for the six months ended 30th September, 2003, details of which are disclosed in the interim results announcement issued by Paul Y. - ITC today. Since the Company will receive dividend of approximately HK\$211 million based on the shareholding immediately after the Acquisition (as defined below) from Paul Y. - ITC, the board of the Company (the "Board") is considering the redemption of the convertible notes due 2006 of HK\$392.5 million issued by the Company and will approach the noteholders to discuss such redemption.

In addition, a wholly owned subsidiary of the Company has bought 1,500,000 shares of Paul Y. - ITC at HK\$0.95 per share from the market after 3:00 p.m., this afternoon, representing approximately 0.1% of the issued share capital of Paul Y. - ITC ("Acquisition"). Immediately after the Acquisition, the Company indirectly holds approximately 64.3% of Paul Y. - ITC. Dr. Chan Kwok Keung, Charles, a director and substantial shareholder of the Company is deemed to be interested in approximately 34.8% of the issued ordinary share capital of the Company.

Save as disclosed above and the announcement issued jointly by the Company and Paul Y. - ITC dated 16th December, 2003, we also confirm that there are no negotiations or agreements relating to intended acquisitions or realizations which are discloseable under paragraph 3 of the Listing Agreement, neither is the Board aware of any matter discloseable under the general obligation imposed by paragraph 2 of the Listing Agreement, which is or may be of a price-sensitive nature.

Made by the order of the board of the Company, the directors of which individually and jointly accept responsibility for the accuracy of this statement.

By Order of the Board
ITC Corporation Limited
Law Hon Wa, William
Company Secretary

Hong Kong, 19th December, 2003

Please also refer to the published version of this announcement in The Standard.